

AMENDED IN ASSEMBLY JUNE 15, 2006  
AMENDED IN ASSEMBLY JUNE 12, 2006  
AMENDED IN ASSEMBLY JUNE 14, 2005  
AMENDED IN SENATE MAY 27, 2005  
AMENDED IN SENATE MAY 4, 2005  
AMENDED IN SENATE APRIL 21, 2005  
AMENDED IN SENATE MARCH 29, 2005

**SENATE BILL**

**No. 328**

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**Introduced by Senator Cedillo**

February 16, 2005

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An act to add Section 17573 to the Government Code, relating to state-mandated costs.

LEGISLATIVE COUNSEL'S DIGEST

SB 328, as amended, Cedillo. Reimbursement of state-mandated local costs: Public Safety Officers Procedural Bill of Rights Act.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. These procedures require the Controller to pay claims approved by the Commission on State Mandates in an amount based on the claimant's actual costs or a reasonable reimbursement methodology.

The Public Safety Officers Procedural Bill of Rights Act generally requires certain conditions to be met when any public safety officer is

under investigation by specified members of the employing public safety department; *for conduct* that could lead to punitive action.

This bill would require the commission to adopt a reasonable reimbursement methodology for the payment of claims filed by a local agency for costs incurred under the act based on the number of public safety officers the local agency employed during the applicable fiscal year *multiplied by* \$528. It would provide that local agencies may opt to be reimbursed based on their actual costs or the reasonable reimbursement methodology.

*The California Constitution generally requires that unpaid claims for mandated costs incurred by a local agency prior to the 2004–05 fiscal year shall be paid over a term of years, which statutory provisions specify shall be 15 years. The constitution also requires that for mandated costs incurred in any fiscal year commencing with the 2005–06 fiscal year, the Legislature shall either appropriate the full payable amount in the annual Budget Act or suspend operation of the mandate, as specified. It provides that these provisions do not apply to specified mandates, including those contained in the Public Safety Officers Procedural Bill of Rights Act.*

*This bill would require that all back claims for mandated costs incurred by a local agency as required by the act prior to the 2005–06 fiscal year shall be paid within 15 years, and claims for costs incurred commencing with the 2005–06 fiscal year shall be paid within 3 years of the date the claim is filed.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 17573 is added to the Government
- 2 Code, to read:
- 3 17573. (a) For purposes of this section, “mandated costs”
- 4 means costs incurred by a local agency mandated by the Public
- 5 Safety Officers Procedural Bill of Rights Act (Chapter 9.7
- 6 (commencing with Section 3300) of Division 4 of Part 3 of Title
- 7 1).
- 8 (b) (1) Pursuant to subdivision (b) of Section 17557, the
- 9 commission shall adopt a reasonable reimbursement
- 10 methodology, as defined in subdivision (a) of Section 17518, for
- 11 payment to local agencies of mandated costs. This methodology

shall specify that a local agency's annual mandated costs shall be reimbursed in an amount that equals the number of public safety officers subject to the act who are employed by the local agency as of January 1 of the applicable year, multiplied by five hundred twenty-eight dollars (\$528). Commencing with the 2006-07 fiscal year, the dollar amount shall be annually adjusted by the implicit price deflator.

(2) No later than June 30, 2007, the commission shall amend the parameters and guidelines for reimbursement of mandated costs to include the option of being reimbursed pursuant to the reasonable reimbursement methodology. The amended parameters and guidelines shall specify that claims reimbursed pursuant to the reasonable reimbursement methodology shall be subject to audit by the Controller only with respect to the number of public safety officers a local agency employed in the applicable year, but that claims reimbursed based on actual costs shall be subject to any authorized audit.

(c) ~~A~~ *With respect to a local agency claim for reimbursement of mandated costs incurred during the period commencing with the 1994-95 fiscal year through the 2000-01 fiscal year, for which the following shall apply:*

*(1) If a local agency has received any reimbursement, the claim shall be deemed fully paid.*

*(2) If the agency has not been reimbursed, the claim shall be deemed fully paid if the state reimburses the local agency for these mandated costs at the same rate that it used to pay the claims of other local agencies for mandated costs incurred during this same period.*

(d) Reimbursement of all mandated costs incurred in any fiscal year commencing with the 2001-02 fiscal year *through the 2005-06 fiscal year* shall be pursuant to the reasonable reimbursement methodology unless a local government claimant notifies the Controller that it prefers ~~to be reimbursed based on actual costs~~ *to be reimbursed for those fiscal years based on actual costs pursuant to the parameters and guidelines in effect when those costs were incurred.*

(e) *Any claim for reimbursement of mandated costs incurred in any fiscal year beginning with the 2005-06 fiscal year that is filed based on actual costs by January 15 of the applicable year*

1 *shall be paid no later than three years after that January 15*  
2 *filing date.*  
3 *(f) All claims for reimbursement of mandated costs incurred in*  
4 *any fiscal year prior to the 2005–06 fiscal year shall be paid no*  
5 *later than January 1, 2022.*

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